REPRODUCED AT THE NATIONAL ARCHIVES

Page 2 of Despatch No. 442 from Moscow

Soviet foreign policy. if they expect that the USSR will in any way diminish its dedication to the The leaders of the West are in for a sore disappointment prevention of war and to peaceful economic competition, or otherwise change its peace-loving policy of the past.

The Lunar Rocket has great international significance in at least four respects. (1) It proves to the entire world Soviet superiority in science and technology. (2) It establishes Soviet military superiority (defensive, of course). (3) It gives the USSR the psychological and political stature of being the leader of the world. (4) It augments Soviet diplomatic strength and initiative.

The Neutralist Nations are at present being subjected to great diplomatic, economic, and political pressures by the capitalist bloc. The objective is to turn the neutrals against the Soviet Union, to divide them by false fears of Communism, and thereby to reimpose capitalist domination. The speaker reviled Tito as a conscious or unconscious tool in this imperialist offensive and claimed utter failures of his efforts thus far in India and Indonesia. While no concern Over the UAR was expressed, the usual claims of solidarity and eternal friendship were absent. The reporting officer's impression is that the treatment of this topic was carefully designed to allow for the possibility of future adverse developments.

The lecturer originally scheduled to speak. A. G. MAKSIMOVICH was ill and a substitute, introduced as Colonel Chiral PANOV from the Main Political Administration, took his place. The audience, consisting almost exclusively of men, was seated mostly at long green baize tables, where perhaps half took notes.

The lecturer started with the world wide significance of the Seven Year Plan as opening a new era which will be decisive in the economic competition of the socialist and capitalist camps. He dwelt on the jubilation with which its announcement was greeted by friends of the USSE throughout the world, and he included the common people in America among these. World attention will be riveted to the 21st Congress discussion of the Plan and the political and economic leaders of the United States will now be listening very closely to the tone of Khrushchev's and Mikoyan's statements. They will hope for a softening of Soviet

OFFICE ASSESSED OF THE OWLY

SUBJECT:

Use Only

REC'D

Page 3 of Despatch No. 442 from Moscow

resolve, but they will be disappointed. The 21st Congress will result in no changes in Soviet foreign policy. The dedication to prevention of war, to peaceful economic competition, and to the peace-loving policy of the past will remain steadfast.

In proof of these contentions, the speaker cited the tone and substance of the nationwide discussions of the Plan which have taken place since its announcement, and the organization of new forms of labor such as the Communist Labor Brigades.

His labored assurances of no change imply an effort to convince his hearers, many of whom appeared to be propagandists in their own right, that there will be no retreat from the ambitious goals and consequent heavy demands set up by the Plan. His treatment of the foreign significance appeared intended to dash any hopes which the West might have that the strain of meeting the Plan would cause a retreat or softening of Soviet foreign policy.

The lecturer turned to an elaboration of the meaning of the Plan for economic competition between socialism and capitalism. The USSR, he said, is planning to create a surplus economy both in agriculture and industry. Canadian wheat exporters are already protesting to their government because they are atraid that the USSR will flood the world with cheap grain to feed the starving millions and thus ruin the capitalists' lucrative market. By 1970, agricultural production will have surpassed that of the United States. By 1905, the industrial production of the socialist camp will be greater than that of the capitalist.

Capitalist nations are in the grip of an economic crisis which started in the US and has extended to Western Europe. It does not matter what it is called, depression or other, the fact is that recent desperate monetary measures and unemployment statistics prove that it is taking place. The important thing about this crisis is that it is weakening the US and the West in its capacity for economic competition, as well as militarily and diplomatically, while the socialist camp is increasing in strength all the time.

1958 was a year of victories on all fronts, and the situation outlined above means only one thing; that the socialist camp will win over the capitalist. Even in the US this fact is acknowledged, and the question discussed is only how soon will the declining US be surpassed.

REPORTER

YING ESU TATOLISE ONLY

ACTION COPY — DEPARTMENT OF STATE

FOREIGN SIR

REPRODUCED AT THE NATIONAL ARCHIVES

FROM

DESP. NO.

TO

THE DEPARTMENT OF STATE, WASHINGTON.

DATE

REF

For Dept.	REC'D	I N	DEPT. OTHER	
<u></u>				

SUBJECT:

Page 4 of Despatch No. 442 from Moscow

The lecturer explained that the basic reasons for these developments lie in the very nature of capitalism and that to have any chance in the competition, the West would have to abandon capitalism which, of course, it cannot and will not do. Among other hypothetical measures that the West could take in this connection would be to drop trade barriers and trade freely with all nations.

Using free trade as a springboard, the speaker discussed with unusual force and intensity the basic strategy of the Seven Year Plan. The achievements of the USSR under the Plan will set such a stupendous example in contrast to the predicted shabby performance of the West that all the uncommitted and newly independent nations of Africa and Asia will commit themselves to the Communist way. This, of course, will be a self accelerating process in the ultimate victory of socialism over the capitalist bloc.

The Soviet lunar rocket was next taken up. After the usual inordinate self praise, the international significance of the rocket was explained as fourfold. (1) It demonstrated to the world that Soviet science and technology is supreme. (In this connection the lecturer made the flat statement that only the USSA and the USA have rockets of their own and that Soviet rockets are better.) (2) It established equally vividly Soviet military superiority. (3) In the all-important field of prestige, it gives the USSR first place in the eyes of the world. (4) has a consequence of all these, it strengthens Soviet diplomacy and diplomatic initiative.

In an elaboration of this thesis the speaker explained that the US so fears Soviet rocketry that it has attempted to neutralize Soviet superiority by proposing in the UN a ban on the use of space for military purposes. The USSA naturally suggested that the elimination of foreign bases be added to the proposal in order to neutralize the positions from which the US threatens the USSA. However, the USA refused this fair exchange thereby revealing its aggressive purposes and its malevolent pursuit of the cold war policy to all the world. In their worry and disgust over such US malice the peoples of the world naturally turn their sympathies to the USSA.

As an indication of the prestige of the USSR the speaker cited the mock world government cabinet drawn up by the Daily Express with Khrushchev as premier.

REPORTER

OFFICIAL USE ONLY

ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

FOREIGN SERV

N SE H ' REPRODUCED AT THE NATIONAL ARCHIVES

FROM

DESP. NO.

TO

THE DEPARTMENT OF STATE, WASHINGTON.

DATE

REF

		ACTION		DEPT,	
For	Dept.		1	,	
	Only	REC'D	F	OTHER	
			0		

SUBJECT:

Page 5 of Despatch No. 442 from Moscow

On the diplomatic front, the rocket issued in a new era according to the speaker. Earlier eras dominated by the West had been those of atomic diplomacy and hydrogen diplomach characterized by the "cold war" and by the "position of strength" policy. The rocket introduced the "sunny" diplomacy of the USSR casting warmth and light upon all mankind.

The earlier diplomacies of the Western nations inevitably failed dismally, according to the speaker, and now their diplomacy of a "position of strength" is senseless since the USSR is militarily the stronger power, and is recognized as such by everyone. Therefore the West is being forced to move toward a diplomacy of negotiation. This is the basic reason for such symptoms of improved relations as have appeared. This is the true meaning of Mikoyan's visit to America.

Mikoyan, the speaker pointed out, arrived only eight hours after the Soviet rocket had passed the moon. This timing was psychologically very clever as was also the "private" nature of the visit. For two and a half years the JS has been rejecting and resisting a summit meeting and in Mikoyan's visit the USSR imposed a summit meeting completely on Soviet terms, when, where, about what, and with whom the USSR chose. At the same time the US press revealed all the thoughts and ideas which the US government was interested in bringing up at a meeting. The results are that the USSR has demonstrated its goodwill. "Now can anyone accuse us of evil intentions when we are militarily more powerful and at the same time strive for negotiations as the peaceful solution to world tension." The cold war has been melted a little. Both sides will think long and hard over it. There are only two paths open, war or negotiation. Thikoyan's visit helped movement toward negotiations.

The speaker introduced the topic of Berlin by stating that only the GFR was adament in its rejection of negotiations, and that this is due to Adenauer's desire to preserve Berlin as a base for espionage and aggression against the GDR. But Berlin, he explained, is such a tense issue because it is a trigger or a trip wire for war.

The present situation of the Berlin question was described as follows. On the 27th of May the six month grace period ends, and, if no progress has been made toward a solution, the USSR will transfer its "occupation" functions to the GDR. Then the GDR will defend the sovereignty of its boundaries on all routes

REPORTER

OFFICIAL USE ONLY

ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

Christian Child

DO NOT TYPE IN THIS SPACE

FOREIGN SERVICED AT THE NATIONAL ARCHIVES

FROM

DESP. NO.

TO

THE DEPARTMENT OF STATE, WASHINGTON.

DATE

REF

For Dept. Use Only	REC'D	DEPT. OTHER	

subject: Page 6 of Despatch No. 442 from Moscow

to Berlin, rail, road, water, and air (sic). The Western answers have been (1) that they will not relinquish their occupation and will keep their troops in Berlin, and (2) that they will fight their way in if access to Berlin is blocked. The Soviet Union has declared that it will not fight over Berlin, but will fight beside the GDR in defense of its boundaries.

In actual fact, the lecturer continued, the situation is not really so bad. If one disregards the ravings of a few madmen, it is obvious that no one will actually fight. The fact is that the West can not fight. France is totally tied up in Algeria, the British will not fight in Europe, the GFR does not yet have a sufficient army, and the Italians are not even worth mentioning. Recognizing this fact, Mr. Dulles has already started diplomatic maneuvers to get himself out of the dead end in which he finds himself. The first of these maneuvers was his retreat from a hitherto absolutely hard insistence on free elections. Everyone sees and reports a basic change in US policy. Under such public pressure from the United States, voices are already being raised in the GFR calling for a new approach and constructive alternate proposals. There is even talk of course, the Western strategy behind this is to move the capital to Berlin, establish some sort of diplomatic relations, and then try to support the GDR into the capitalist camp.

Still, there has been a move in the West toward realistic policies over Berlin. Essentially this is because, in addition to their military inferiority, the Western nations are in the grip of economic crisis and because NATO is torn by dissentions. If in addition to all this one considers the great desire of the German people for unification, then it is obvious that Adenauer's position is pure adventurism. Therefore, the USSN knows that the Berlin question will be solved on Soviet terms.

Turning to the Middle East and South Asia, the speaker pointed out the sudden crowding of Western figures into these areas, especially Cairo. He explained that this is a symptom of the great political economic and diplomatic offensive mounted by the West against the nations of this area. The purposes were alleged to be the alienation of these nations from the USSM, the disintegration of their anti-colonialist solidarity through false propaganda about a socalled communist threat, and their subjugation to imperialist power. Italy,

REPORTER

OFFICE LAW ONDS

ACTION COPY — DEPARTMENT OF STATE

SUBJECT: Page 7 of Despatch No. 1442 from Moscow

Greece, and Spain are allegedly preparing to form a Mediterranean pact into which Egypt is to be ensnared. Tito is, consciously or not, aiding the capitalist imperialists by trying to form a neutral block under his leadership. Tito has so far failed in both India and Indonesia because the people of these two nations know that, were it not for the USSR, they would be enslaved by the capitalists.

The lecture ended with a blaze of self-adulation. On the eve of the 21st Congress, the USSR stands between the glorious victories of the past and the even more glorious victories to come.

One question was asked at the close of the lecture concerning Nasser's attitude toward GFR offers to help with the High Dam. The speaker quoted Nasser to the effect that assistance without strings would be welcome, but that assistance with conditions would be outrightly rejected.

Although the overconfident tone of the lecture as a whole is to be accounted for largely by that cast of pre-Congress propaganda generally, the possibility of serious Soviet misinterpretation of the U.S. position, especially on Germany, such as was reflected in the speaker's words, is a factor which must be considered.

For the Ambassador:

David E. Mark First Secretary of Embassy

Department please pass copies to:

Frankfurt (1), Munich (4), London, Paris, Rome, Vienna, Bonn, Berlin

OFFICIAL USE ONLY

AUTIUN COFI — DODY to DC/R file; with an endorsement of action taken. ACTION COPY - DEPARTMENT OF STATE